

Minnesota's Next Generation Energy Initiative

"The challenges are not new, and the solutions are within our reach. It's time for a new direction – with new leadership and devotion – to solve these challenges. Together I believe we can find and follow a pathway to a better, cleaner, more secure energy future." - Gov. Tim Pawlenty

A Pathway to a Better Future

As awareness and concern about the costs and consequences of traditional energy use have grown, the people of Minnesota have embarked on a pathway to a new energy future. Based on increased efficiency, more locally-produced renewable fuels, and reduced carbon emissions, the *Next Generation Energy Initiative* enacted in 2007 provides a framework for transformation to a reliable, environmentally-sustainable and economically-sustaining energy system.

Increased Efficiency

Minnesotans understand the value of efficiency. Over the past two decades, our utilities have invested hundreds of millions of dollars in improved energy efficiency through the *Conservation Improvement Program* (CIP). The Legislative Auditor has reported that, for every \$1 invested in CIP, \$3 in benefits have been returned to the state.

The Next Generation Energy Initiative builds on this success by transitioning CIP from a spending requirement to savings requirement. The legislation set an aggressive energy saving goal of 1.5% of annual retail energy sales for each utility—essentially doubling the amount of energy saved by Minnesota's utilities.

More Renewables

Minnesota's *25x'25 Renewable Electricity Standard* is the nation's most aggressive renewable energy standard, requiring Minnesota's utilities to provide 25% of electrical generation from renewable sources by the year 2025. In addition, Minnesota is a leader in the national 25 x '25 initiative to expand the use of renewable energy to 25% of all energy use by 2025. The Next Generation Energy Initiative also strengthens Minnesota's commitment to the development of locally-owned renewable energy projects, and supports research, development and deployment of biofuels, renewable hydrogen, E85 and high-efficiency technologies.

Less Carbon

According to the National Conference of State Legislatures, the Next Generation Energy Initiative propels Minnesota into the top two states (with California) leading the way towards reducing greenhouse gas (GHG) emissions. Minnesota has established statewide GHG reduction goals of 15 percent by 2015, 30 percent by 2025, and 80 percent by 2050. The *Minnesota Climate Change Advisory Group* (MCCAG) is charged with developing a comprehensive greenhouse gas emission reduction plan to meet those goals. MCCAG, which began meeting in April 2007, is a 56-member group representing a vast range of public-/private-sector organizations and citizen interests. With support from the national Center for Climate Strategies, MCCAG is using a stakeholder-based consensus building process to develop state-level policy recommendations for reducing or sequestering greenhouse gas emissions. The MCCAG will also identify opportunities to promote energy-efficient technologies and clean, renewable energy resources that will enhance economic growth.

The State Energy Office (SEO) in the Minnesota Department of Commerce promotes energy efficiency and renewable energy to Minnesota consumers, businesses and policymakers through educational outreach and technical assistance, targeted financial incentives, and demonstrations of market-ready new technologies. SEO staff bring together government, business, non-profit and higher education stakeholders to develop policies and projects beneficial to Minnesota and the nation.

For More Information

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